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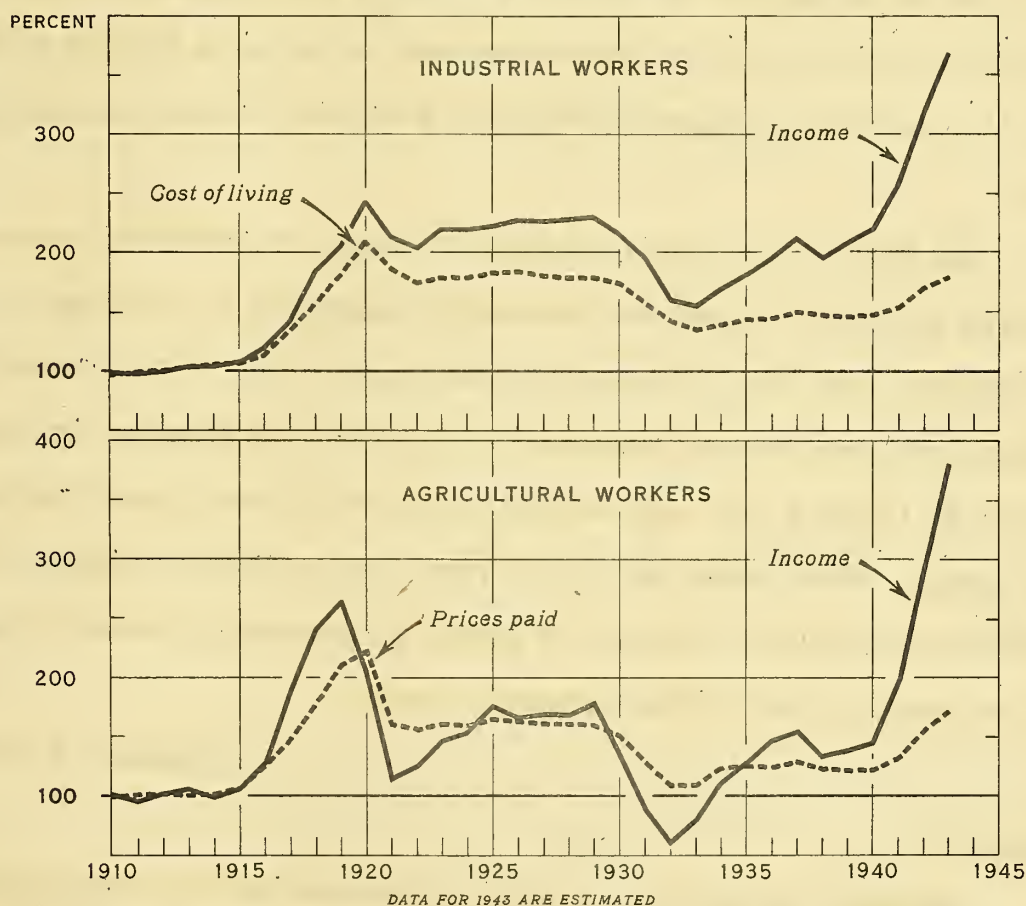
WASHINGTON, D. C.



NOVEMBER 1943

AVERAGE INCOME OF INDUSTRIAL AND AGRICULTURAL WORKERS, URBAN COST OF LIVING, AND PRICES PAID BY FARMERS FOR COMMODITIES USED IN LIVING, UNITED STATES, 1910-43

INDEX NUMBERS (1910-14=100)



U. S. DEPARTMENT OF AGRICULTURE

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BUREAU OF AGRICULTURAL ECONOMICS

From the level prevailing in the five years just before this war, the average industrial worker's income has increased about 85 percent. In the same time the Bureau of Labor Statistics index of the cost of living has gone up less than 25 percent.

For farm workers, average incomes at the beginning of this war were much lower, relative to 1910-14 and to living costs, than was true for industrial workers. Nevertheless, the very sharp rise in farm income in the last 3 years has now carried the average income per worker to a record high point, both absolutely and in relation to prices farmers pay for goods used in living.

SUMMARY

Demand for most farm products continues undiminished. Prices of some agricultural commodities have decreased in recent months, but these declines have mostly been due to increased market supplies or to Government regulations.

Since October 1 regulations have been announced affecting the prices of apples, dried fruits, soft wheat, tree nuts, and slaughter cattle. The cattle price stabilization program announced by the Office of Economic Stabilization on October 26 differs from other regulations in several respects; most important is that enforcement of the plan depends upon payment of subsidies in connection with the roll-back of price ceilings on beef.

The 1944 acreage goals announced November 11 call for a 4-percent increase in total cropland and substantial increases in plantings of wheat and oilseeds over 1943, although the wheat goal of 67 million acres is 1 million less than the goal announced on July 13. An increase of about 4 percent in the goal for corn acreage is offset by lower goals for other feed grains. With normal yields per acre, the expansion in oilseed acreage would make possible an increase of around 10 percent in domestic vegetable oil production in the 1944-45 crushing season.

-- November 18, 1943

Production

Industrial production in October continued at very high levels. The output of airplanes set a new record, 8,362 planes, and steel production set a new weekly record in the second week of October at 102.2 percent of capacity. New weekly records were also established for production of electric power, crude petroleum, and meats. Coal strikes in the latter part of October and the first week of November cut output of coal and coke sharply, but the effect on current steel production was small.

The Federal Reserve Board published in its October Bulletin a revision of the index of industrial production, extending back to 1940 for most

industrial groups but to 1939 for chemical products. For July, the seasonally adjusted index was raised from 203 to 239; for August and September, the figures are 242 and 243, respectively (1935-39 = 100). According to the Federal Reserve Board, only about 30 percent of our current industrial output is available for civilians, but this share is equivalent to 70 percent of the 1935-39 average production.

Prices

The cost-of-living index of the Bureau of Labor Statistics increased from August to September by half a point, 123.4 to 123.9. Food, housefurnishings, and miscellaneous items were only slightly higher, but clothing prices rose more than 2 percent.

The President's message to Congress on November 1 regarding the food program reiterated the Administration's intention to "see to it not only that the prices of food do not go up any further, but that the prices of those foods which have gotten out of line are actually reduced." Among items for which retail prices either recently have been or are soon to be reduced are apples, onions, potatoes, sweetpotatoes, peanut butter, lard, and vegetable shortening. As proposed to Congress, reductions in retail prices are to be effected by reducing middlemen's margins or producers' returns or by the use of subsidies.

Flour millers' margins have been further reduced in recent weeks by fixed ceilings on prices of flour and millfeeds and rising prices of wheat. The President's message stated that a program was being developed to prevent an increase in the price of bread, presumably by a subsidy to flour millers.

On October 26 the Office of Economic Stabilization announced a program for stabilizing the price of live cattle, effective December 1. The program provides that the monthly average price paid by each slaughter for live cattle must fall within certain limits in order to qualify the slaughterer for subsidy payments in connection with the roll-back of meat prices. The limits for each plant are determined by its monthly output of meat of different grades and by the prices set in the directive for various grades of cattle. The program does not directly affect the prices of breeder or feeder stock.

In the settlement of the coal strike which began November 1 the miners got an agreement providing a pay increase amounting to \$9 for a full week, by requiring overtime for 45 minutes of travel time and an additional 15 minutes of working time each day. Actual time spent underground will not be increased, as the extra 15 minutes of working time is taken from the lunch period.

Hourly and weekly earnings of factory workers continue to increase. In August hourly earnings averaged 96.5 cents per hour, 9.5 cents more than a year earlier. The average workweek in August was 45.0 hours, about the same as the average in the preceding 4 months but 2 hours more than a year earlier.

Total income payments in September were reported by the Department of Commerce as 12,545 million dollars, the largest monthly total on record. This is equal, when seasonally adjusted, to an annual rate of nearly 145 billion dollars. For the full July-September quarter, income payments were

at a seasonally adjusted annual rate of 144.3 billion dollars. Personal taxes were increased sharply by current collection of Federal personal income taxes, the annual rate in the third quarter being 18.0 billion dollars compared with 14.7 billion in the second quarter. Consumer expenditures in July-September were at the record rate of 91.2 billion dollars a year.

Government Expenditures

Budget expenditures of the Federal Government in October were 7,456 million dollars, making the total for the first third of the fiscal year 29.7 billion dollars. This is equal to an annual rate of 89.2 billion, far short of the estimate made last August 1 of 104.0 billions for the fiscal year. On the other hand, net budget receipts are likely to be larger than the 38.7 billion dollars estimated last August.

Sales of securities in the Third War Loan totaled 18.3 billion dollars, 22 percent over the goal. Of this total, 29 percent was accounted for by individuals, partnerships, and personal trust accounts and 71 percent by corporations, associations, and State and local governments. The corresponding percentages in the Second War Loan last April were 25 percent and 75 percent, respectively, if sales to commercial banks were excluded. Sales of Series E bonds during the recent drive totaled nearly 2.5 billion dollars, 1.0 billion more than in the second campaign.

FARM INCOME AND PRICES

Cash income from farm marketings for the first 9 months in 1943 totaled 13,062 million dollars, compared with 10,141 million dollars for the same period in 1942. Income from crops increased 29 percent and income from livestock increased 28 percent. Government payments, for this period in 1943, were 553 million dollars, while in 1942 they were 511 million dollars.

The total farm income for September was 1,943 million dollars which was 10 percent greater than the 1,772 million dollars received in August. In spite of this rise in actual value of sales, the seasonally adjusted index for total farm marketings in September dropped 8 percent from the August figure. This indicates that the rise was not as great as usual. The income from crops in September increased 18 percent over the previous month and the income from livestock and livestock products increased 2 percent. In neither case was the increase as great as ordinarily takes place. Income from meat animals dropped 11 percent, receipts from dairy products declined 4 percent, and income from poultry and eggs decreased 2 percent after seasonal adjustment. Drop in the receipts from wheat, hogs, eggs, and milk sold at wholesale were especially significant. Income from cotton and from fruits and nuts did not rise as much as usual.

Cash farm income apparently rose more than usual from September to October, after the smaller-than-usual rise in the previous month. Preliminary indications are that cash returns from marketings in October were about 16 percent larger than in September and 15 percent higher than in October 1942.

Prices received for agricultural commodities in central markets in November averaged about the same level as in October, indicating little change in farm price levels.

COTTON

The 1944 cotton acreage goal, as determined in a series of State meetings held during October, totals 22,277,000 acres. This is slightly above the 1943 acreage of 21,995,000 and about half way between this acreage and the 1943 goal of 22,500,000 acres.

Both the United States farm price and parity price advanced in October. The farm price rose from 20.20 cents in September to 20.28 in October while the parity price increased from 20.46 cents, at which level it had held since July, to 20.58 cents in October. Central market prices of spot cotton declined during early November; and on November 18 the 10-market Middling 15/16 inch price of 19.88 cents was about 2/5 cent lower than a month earlier.

Ginnings through November 13 totaled about 9.9 million bales, compared with 10.7 million bales in the same period last year. Approximately 10 percent of the crop remained to be ginned after that date, a slightly smaller proportion of the crop than remained on that date in 1942. During the early part of the season the average grade of the cotton ginned was considerably above that of the corresponding portions of either the 1941 or 1942 crops. Through November 13 1.6 million bales, or 16 percent of the total ginnings, were Strict Middling and higher, compared with 8 percent a year ago. The grade of ginnings from October 31 through November 13 as well as for the season to date was slightly higher than during the same period last season.

During October about 846,000 bales of cotton were consumed by American mills. This was slightly less than in September but consumption per working day was the highest since June. Should consumption continue throughout the year at the same daily rate as in September, consumption for the full season would total about 10.4 million bales. This would compare with 11.1 million bales last season and 11.2 million bales in 1941-42.

According to the November 8 cotton crop report, the domestic crop is currently estimated at 11,442,000 bales, 500 pounds gross weight. This compares with 11,478,000 bales indicated in October and a 1942 crop of 12,824,000 bales.

WHEAT

Market prices of wheat on November 18 were generally 3 to 6 cents above prices on October 18 except for soft red winter, the price of which declined 15 cents to the ceiling levels which became effective November 6. Current prices are the highest in 15 years and reflect continued distillery demand in addition to that of millers, continuation of dry conditions in the area extending from southwestern Nebraska to western Texas, and the anticipation of an announcement of a flour subsidy. Market prices are above the approximate wheat price equivalents of the flour ceilings as follows: Portland, 12 cents; Minneapolis, 15 cents; and Kansas City, 22 cents. Actual prices on November 18 were: No. 2 Hard Winter at Kansas City and No. 1 Dark Northern Spring at Minneapolis, \$1.57; No. 2 Soft Red Winter at St. Louis, \$1.65; and No. 1 Soft White at Portland, \$1.42. The price at Kansas City is now about 4 cents under the farm parity equivalent, at which level ceilings may be established.

The supply of wheat for the year beginning July 1, 1943, is estimated as follows, in million bushels: Carry-over July 1, 1943, of 618; crop 836; making the total supply of domestic wheat 1,454. Disappearance is estimated on the basis of present prospects as follows, also in million bushels: Food, 535; feed, 380; seed, 80; industrial alcohol, 110; and exports 50. This would leave a carry-over July 1, 1944, of about 300 million bushels of domestic wheat. Imports of wheat by the Commodity Credit Corporation from July 1 to date total about 35 million bushels, all of which is for feed and is in addition to the domestic wheat being fed. The total quantity of wheat which will be imported in 1943-44 may possibly reach 100 million bushels. This is dependent, however, upon shipping arrangements.

The prospective carry-over of 300 million bushels next July would provide operating stocks liberally placed at 150 million bushels, 75 million bushels as a reserve against small per-acre crop yields, and 75 million bushels as a stock pile for war relief and as a contingency reserve for domestic needs. This carry-over would compare with only 40 million bushels on July 1, 1918, and 83 million bushels in 1937 -- the smallest since World War I.

Rainfall in southwest Nebraska and the western parts of Oklahoma, Kansas, and Texas has been below normal. Except in these sections where stands are poor and spotted with some drying reported, conditions are mostly favorable for growth of winter wheat.

FATS, OILS, AND OILSEEDS

National acreage goals for 1944 oilcrops, based on State goals recommended by State committees, were announced in early November. These goals are 13,654,000 acres of soybeans harvested for beans, 6,158,000 acres of peanuts grown alone, and 5,895,000 planted acres of flaxseed. Achievement of these goals would increase soybean acreage 19 percent and peanut acreage 23 percent over the corresponding 1943 figures, but would result in a decline of 6 percent in flaxseed acreage. With normal yields per acre and about the same disappearance into noncrushing uses as in the past year or two, these acreages should result in an increase of approximately 400 million pounds in production of soybean, linseed, and peanut oils. If the output from other domestic oilseeds is about the same in 1944-45 as in 1943-44, total production of domestic vegetable oils in 1944-45 may exceed 4.3 billion pounds. The increase in output in vegetable oils is likely to be more than offset by a decline in lard in 1944-45, thus indicating a total production of fats and oils from domestic materials in 1944-45 somewhat smaller than the 11.3 billion pounds that now seem likely in 1943-44.

Some moderation of the recent very tight situation in fats and oils has occurred as a result of seasonally high output of lard, soybean oil, cottonseed oil and linseed oil, and because of increased imports of flaxseed and castor beans. Prices of linseed oil at New York declined slightly below ceiling levels in early November. Prices of other fats and oils continue at ceiling levels, however. With export requirements continuing large and a prospect that they will increase, and with domestic civilian demand going partially unsatisfied, fats and oils remain in a strong position. Demand for

domestic fats and oils probably will continue strong until the surplus-producing areas of the Western Pacific, now under Japanese control, are again accessible to the rest of the world.

Production of margarine declined sharply following the institution of rationing of food fats in late March. But with a scarcity of butter in retail stores in recent months, margarine output has increased again and production for domestic civilian consumption is now close to the maximum permitted under Food Distribution Order 42 (167 percent of the average production for the corresponding quarters of 1940 and 1941). Total production for the year may be in the neighborhood of 650 million pounds, with about 525 million pounds available for domestic civilian consumption. The balance is for export mainly under lend-lease. In 1942 total output was 426 million pounds and in 1941 368 million pounds.

CORN AND OTHER FEEDS

Dry weather during October was favorable for the harvesting of late crops but was unfavorable for growth in pastures. The November 1 estimate of corn production -- 3,086 million bushels -- was 30 million bushels above the estimate of October 1 and only 90 million bushels under the all-time record crop in 1942. Prospects for grain sorghums improved by about 6 million bushels from October 1 to November 1. On the latter date the crop was estimated at 107 million bushels, almost the same as in 1942. Estimates for oats and barley were unchanged from those of October 1. The oats crop is indicated to be about 210 million bushels under the large crop of 1942 and barley about 96 million bushels under. Altogether, present indications point to a total output of feed grains this year of nearly 116 million tons, 1 million tons more than was indicated a month ago and only 8 million tons under the record output of last year.

Pasture condition on November 1, at 70 percent of normal, was 13 points under the condition a year earlier, but was 5 points above the 1932-41 average condition for November 1. The indicated production of hay for 1943 remains unchanged at 97 million tons. Last year 105 million tons of hay were produced.

In view of the lower November 1 crop estimates for soybeans and peanuts, output of oilcake and meal is likely to be about 100,000 tons less than indicated a month ago. The estimated supply of all high-protein feeds is now 11.3 million tons compared with 11.2 million tons last season.

Prospective supplies of all feed concentrates in 1943-44 total 169 million tons compared with 173 million tons in 1942-43 and a 5-year (1937-41) average of 136 million tons. Although supplies of feed concentrates are indicated to be only 3 percent smaller than last season, about 10 percent more grain-consuming animal units are expected to be on farms next January 1 than last. The supply of feed concentrates per grain-consuming animal unit, on the basis of January 1 numbers, would be approximately 12 percent smaller this season than last and about 7 percent smaller than the 5-year average. However, by drawing down stocks during the year, disappearance of feed

concentrates per animal unit may be slightly above average and about equal to that in the 1940-41 season. Even so, disappearance per animal would be smaller than last season, and, unless feeds are well distributed and very efficiently used, some decrease in total production of livestock products, including dairy, and poultry, is likely to occur in 1944.

Feed supplies will be fairly abundant in most sections of the Corn Belt. In the deficit feed-producing areas outside the Corn Belt, particularly in the dairy and poultry region of the Northeast and the South, and in the range and dairy cattle areas of the West, supplies of feed concentrates will be tight.

Prices of most feeds continue at or near ceiling levels. But with no control on oats and barley, prices of these grains have risen materially in the past 2 months and are now considerably above their normal levels in relation to corn prices. Shipments of oats and barley to deficit feed areas have been heavy, making up in part for the difficulty in obtaining corn. The "feed payments" to dairy farmers inaugurated in October have enhanced the demand for these feeds.

The War Food Administration in early November announced goals for 1944 crops on the basis of totals arrived at by farm leaders in a series of State meetings. For feed grains total acreage would be nearly the same as the 175 million acres planted in 1943. Corn would be increased from 96.8 to 100.3 million acres; but oats would be reduced from 42.7 to 39.6, barley from 17.9 to 17.4, and grain sorghums from 17.2 to 16.7 million acres. Harvested acreage of tame hay would be increased 4 percent, from 60.5 to 62.8 million acres. Acreage for cotton and oilcrops, yielding high-protein cake and meal, would go up 7 percent, with the largest increase indicated for soybeans.

LIVESTOCK

Receipts of hogs from the record 1943 spring pig crop continued to expand seasonally during October, taxing the processing capacity of packers. Inspected hog slaughter for the month was the largest on record, 12 percent above a year ago after allowing for the increase in the number of inspected plants. The War Food Administrator in early November issued an appeal for "orderly marketing," and asked producers to contact marketing agencies before shipment to be sure the hogs can be handled. It was stated that the demand for pork continues to exceed the supply and that the Food Distribution Administration will purchase, for lend-lease and other war purposes, all the pork produced in excess of that needed under civilian rationing, at prices that will reflect at least \$13.75, Chicago basis for Good and Choice 200 to 270-pound hogs. Hog prices, which had remained at ceilings during the 2-week period ended October 16, dropped rapidly as receipts increased until the support price of \$13.75 on 200 to 270-pound hogs became the top price paid at Chicago on November 10 and 11. Hog weights on the new crop at the seven markets are now about the same as the 1937-41 October average, whereas the previous crop was marketed at weights consistently 10 to 20 pounds above the 1937-41 average.

Shipments of stocker and feeder cattle into the Corn Belt States during October were less than a year ago, largely because of a smaller direct movement. Reports indicate that cattle-feeding operations in most of the

States outside the Corn Belt will be the smallest in the last 5 years, in part because of reduced supplies of byproduct feeds from sugar beet fields. The directive of the Economic Stabilization Director establishing ranges of cattle prices by grades at Chicago tended to do away with some of the uncertainty concerning these prices. Prices of finished cattle, at Chicago, under the directive, can average as high in 1944 as in 1943. The shorter supply of feed and its higher price are expected to reduce production of long-fed cattle during the next 8 months.

Prices of all grades of slaughter cattle below Choice weakened somewhat at Chicago during October as receipts continued to expand. Inspected cattle slaughter during the month was only slightly less than a year earlier, while calf slaughter for the same period broke all previous records. Inspected sheep and lamb slaughter during October exceeded the record slaughter of a month earlier.

Apparently there will be a reduction in the number of sheep and lambs fed this year. While there may be some reduction in the Corn Belt, particularly in Kansas wheat-pasture areas, reductions are more general in the States outside the Corn Belt. Feeder lamb prices continued to weaken during October with the decline being greater on the lighter lambs than on other weights.

WOOL

Prices of privately held domestic wool on the Boston market strengthened in October and early November. Fine wools which had been available at prices somewhat below ceiling levels were withdrawn from the market or reoffered at near-ceiling prices. Demand for medium wools was strengthened by the award of Army orders for 3.1 million blankets to be made entirely of domestic wool. Most of the remaining supplies of the 1943 clip are held by the Commodity Credit Corporation. These wools are offered at ceiling prices.

Data on sales and production of wool fabrics by mills reporting to the National Association of Wool Manufacturers indicate that mills are shifting to increased production for civilian use. Because of large military requirements the production of wool fabrics for civilian use has been curtailed since the early months of 1942. Total orders accepted by reporting mills in the first 8 months of 1943 were about equal to sales during the corresponding months of 1942. This year, however, 59 percent of the orders were for civilian fabrics and 41 percent for military fabrics. Last year 41 percent of orders were for civilian fabrics and 59 percent for military fabrics. Increased facilities for the production of civilian fabrics became available in September through the program for deferred deliveries of Army contracts held by mills.

Mill consumption of apparel wool on a greasy shorn and pulled basis totaled 821 million pounds in the first 9 months of 1943 compared with 797 million pounds in the corresponding period last year.

DAIRY PRODUCTS

Prices received by farmers for whole milk at wholesale increased 41 cents per hundredweight from October 15, 1942, to October 15, 1943. About

10 percent of this increase was due to greater consumption of fluid milk, fluid cream, and related byproducts. Further price increases from this source may be limited somewhat by Food Distribution Order 79, which was in effect in 82 markets by November 1. Under the order, dealers' sales are limited to 100 percent of their June sales of fluid milk and 75 percent of their June sales of fluid cream and byproducts. These limitations will make available for manufactured dairy products milk and butterfat that would otherwise be used in fluid form. Production of butter and related skim milk products may absorb half of the additional milk, the balance going into evaporated milk, condensed, and dried whole milk, and whole milk cheeses.

Total milk production on farms in October was 2 percent below that of a year ago, compared with September production that was 2.5 percent below the previous year. In September, larger amounts of evaporated milk and dried whole milk were produced, but nearly all the remaining dairy products showed more than seasonal declines and were produced in smaller amounts than a year ago. There were reports from some markets that consumption of fluid milk and cream continued to increase, but the utilization of milk in whole milk product was such as to indicate a leveling off, if not a decline, in fluid consumption.

It is probable that the feed payment program will retard or halt the downward trend in milk production, relative to last year, at least for the balance of this year. The feed situation will become tighter after the first of next year as locally grown crops are used up in deficit feed areas. The level of milk production to prevail in 1944 will depend to a considerable extent on the quantity of feed concentrates made available to dairy producers from surplus feed areas.

Dairy farmers began receiving their feed payments early in November. Applying to their County AAA committees and submitting evidence of their sales of milk or butterfat during October, they are given drafts for the amount of payment due them. The payments range from 30 to 50 cents per hundredweight of milk and from 4 to 6 cents per pound of butterfat, and for the United States will average about 36.5 and 4.25 cents, respectively. The calculated averages represent additions which may be made to the United States average farm prices in order to measure the full purchasing power of milk or butterfat in terms of feed, assuming that all eligible producers apply for the payment.

POULTRY AND EGGS

A record quantity of chickens will be available for civilian consumption during the coming holidays. Supplies of turkey, on the other hand, will be moderately smaller than a year earlier since the slaughter will be a little less than last fall and increased quantities will be taken for the military forces. For 1943 as a whole, per capita consumption of chicken and turkey will be nearly 33 pounds compared with less than 26 pounds in 1942. Marketings of chickens and turkeys always are seasonally heavy in the last quarter of the year.

Even at the record high supply levels, however, the unprecedented consumer demand for poultry at ceiling prices probably will not be fully satisfied. In recent weeks, under pressure of seasonally heavy farm marketings of chickens and old hens, and shortages of labor and storage space, prices of live birds in some terminal markets have been somewhat below the maximum levels permitted by Office of Price Administration regulations. Practically all quotations on dressed poultry, on the other hand, have been firm at ceilings. The average price received by farmers for chickens in mid-October was 24.6 cents per pound compared with 19.5 cents in October last year.

Orders for baby chicks at prevailing prices apparently have slackened somewhat in recent weeks, following continued tightening in the feed-supply situation, but demand is relatively strong for this season of the year. Most chicks hatched in the fall are used for commercial broiler production.

The rate of production per layer in farm flocks during October was lower than a year earlier in the North Atlantic States and in the Western States, but this was offset by a higher average rate in the West North Central States. With more layers on farms, prospective supplies of eggs for civilians in the last 3 months of 1943 are the largest on record for the period and about 50 percent larger than the 1925-29 average. During 1943, the decline in consumption from the spring peak to the fall low has been the smallest on record.

Reflecting the record purchasing power and apparent quality preference, demand for top-grade eggs has continued to exceed supplies at ceiling prices. Prices of lower grades strengthened somewhat in early November but supplies of most eggs of such grades have been more than ample to meet demand at top permissible levels. The average price received by farmers for eggs in mid-October was 45.2 cents per dozen compared with 37.4 cents per dozen a year earlier and the relationship between egg prices and prices of laying mash are relatively favorable for farmers.

FRUITS

Civilian per capita supplies of most fruits are considerably smaller this season than last. Supplies of fresh fruits other than citrus are about three-fourths as large as last season, whereas supplies of citrus fruits are about as large. The civilian per capita supply of canned fruits and fruit juices during the marketing year 1943-44 probably will not exceed three-fourths the quantity consumed in 1942-43. In contrast, the supply of dried fruits, mostly raisins and dried prunes, probably will be about as large as the quantity consumed in 1942-43, or slightly larger.

Oranges, grapefruit, lemons, apples, winter pears, grapes, and cranberries comprise the principal fresh fruits moving to market during November and December. All of these fruits were moving in substantial volume during early November. The number of cars shipped during the week ended November 6 compared with the number during the corresponding week a year earlier was

larger for grapefruit, grapes, and lemons by 18, 11, and 7 percent, respectively, about the same for oranges, and smaller for cranberries, pears, and apples by 4, 9, and 22 percent, respectively.

Maximum prices now are in effect for a number of fruits and nuts, including oranges, grapefruit, lemons, apples, grapes, and all edible tree nuts. Prices for California Valencia oranges on the New York and Chicago auctions for the first week of November were at ceiling levels and about the same as for the corresponding week last year. Prices for Washington Delicious apples on these two auctions during the first week of November were at ceiling levels and moderately higher than corresponding prices a year earlier but substantially below prices a month earlier. Ceiling prices for apples became effective October 7 for sales at country shipping points and October 22 for sales at other points of distribution. Sales of D'Anjou pears on the New York and Chicago auctions during the first week of November were at price levels nearly twice as high as during the corresponding week last year. Recent prices for fruits in general were substantially above those of a year ago.

Production of oranges and tangerines for the 1943-44 season, exclusive of Valencia oranges in California, is estimated at 64.2 million boxes, 8 percent larger than for the previous season. In contrast, production of grapefruit, exclusive of production in California for harvest in the summer of 1944, is estimated at 46.7 million boxes, 4 percent smaller than the 1942-43 crop. The lemon crop in California, estimated at 14.6 million boxes, is 3 percent smaller than the crop last season. Commercial apple production is now estimated at 88.1 million bushels, a crop 31 percent smaller than the near-average crop last year. Production of pears other than the Bartlett variety in the three Pacific Coast States, the main source of winter pears, is estimated at 4 million bushels or 20 percent less than a year ago. The grape crop this year is of record large size, 2,789,700 tons or 16 percent larger than last year. The cranberry crop is 15 percent smaller this season than last, and production of the four major tree nuts -- walnuts, almonds, filberts, and pecans -- is 10 percent larger. Total production of all fruit this season is estimated to be about 9 percent smaller than in the previous season.

Maximum or ceiling prices for walnuts, almonds, filberts, pecans, and all other edible tree nuts were established effective November 3 by the Office of Price Administration (MPR 490). Specific dollars-and-cents ceilings are set for sales of walnuts, almonds, filberts, and pecans by packers, processors, shellers, primary distributors, and, under certain conditions, growers and country dealers. Other sellers, including wholesalers, retailers, roasters, and salters, have their prices "frozen" on the basis of the 5-day period from October 25 to 30, inclusive, for a 60-day period during which the Office of Price Administration will work out a permanent pattern of control for them. The dollars-and-cents ceilings reflect approximately the following returns on orchard run, unprocessed nuts: Walnuts, \$472.50 a ton; almonds, \$680 a ton; filberts, \$440 a ton; pecans, seedlings, \$360 a ton; and pecans, improved, \$468 a ton.

TRUCK CROPS

Truck Crops for Fresh Market Shipment

The aggregate commercial production of fresh market truck crops the remainder of this year is expected to be about 3 percent larger than for the same period in 1942. Larger crops of lima beans, snap beans, carrots, celery, eggplant, lettuce, green peas, and spinach probably will more than offset smaller crops of cabbage, cauliflower, cucumbers, green peppers, and tomatoes. Shipments of carrots, spinach, and lettuce are expected to continue in heavy volume the next few weeks; and shipments of snap beans, beets, cabbage, cauliflower, and celery in moderate volume. Carlot shipments of onions the first week of November, 655 cars, exceeded by three-fourths the shipments during the last week of October -- largely the result of the seasonal increase in ceiling price effective November 1. The rate of shipment the remaining weeks of November is expected to be substantially below that of the first week. Supplies of tender truck crops and an increasing share of all truck crops will come from the far West and South during the next few months, for frosts in the Northeastern and Midwestern producing areas have terminated growing seasons for all except the hardier crops.

Estimated "winter" and "spring" acreages (preliminary and intended) of 9 commercial truck crops for fresh shipment total 310,270 acres -- 16 percent above the corresponding harvested acreage last year and 34 percent above the 10-year (1933-42) average. Proportionately largest increases are indicated for the winter acreages of cabbage, cauliflower, and escarole, 41 percent, 28 percent, and 52 percent, respectively; and for the early spring acreage of onions (intended), 57 percent. The winter acreages of lettuce and kale also are expected to be somewhat larger in 1944 than in 1943, but the winter shallot and artichoke acreages smaller. The intended asparagus acreage for next spring is indicated to be about equal to that in 1943. The November 1 condition of the winter artichoke, cabbage, and lettuce crops was more favorable, but that of the escarole, shallot, kale, and cauliflower crops less favorable this year than last.

The general level of prices for fresh market truck crops advanced slightly in the terminal markets during the latter part of October and early November. Wholesale prices on the New York market during the week ended November 6, compared with prices for the week ended October 16, were substantially higher for lima beans, eggplant, celery, green peppers, and tomatoes, and were somewhat higher for onions and brussel sprouts. They were slightly lower for spinach, turnips, and kale, substantially lower for cauliflower, and about at the same level for other truck crops.

On October 14 the Office of Price Administration and War Food Administration announced ceiling prices for 13 fresh vegetables. The actual regulation, not yet released, will set, wherever practical, specific maximum dollar-and-cent prices at selected country shipping points in major producing areas. Price ceilings at other country shipping points and at other levels of distribution are to be based on the selected "country shipping point"

prices. Vegetables to be included under this regulation are selected lima beans, snap beans, carrots, cabbage, cauliflower, celery, cucumbers, eggplant, lettuce, green peas, peppers, spinach, and tomatoes. Two of these vegetables, cabbage and lettuce, have been under permanent price regulations since mid-July. Five others -- snap beans, carrots, peas, spinach, and tomatoes -- have been under temporary ceiling regulations since last February. The Office of Price Administration reports that maximum prices for 5 additional vegetables -- beets, asparagus, watermelons, cantaloupes, and the 1944 onion crop -- will be announced soon. Farm and retail prices based on the announced f.o.b. shipping point prices are expected to be lower for all vegetables, with the exceptions of green peas and carrots, than the prices for the 1943 season crops.

Truck Crops for Processing

The indicated aggregate production of truck crops for processing remains approximately as estimated a month ago -- 10 percent below production in 1942 but more than one-half again as large as the 10-year (1932-41) average. The 1943 planted acreages of all processing crops for which estimates are made, except spinach in California and Texas and pimientos in California and Georgia, were larger than the acreages harvested in 1942. Yields, however, were substantially lower this year than last for all processing crops reported. Largest decreases in production this year compared with 1942 are in tomatoes, green lima beans, cabbage for kraut, and cucumbers for pickles -- decreases of 12, 15, 18, and 27 percent, respectively.

The total canned pack because of smaller processing crops is expected to be substantially below the record pack of last year. Carry-in commercial stocks of canned vegetables also are at a low level, and noncivilian requirements are large with slightly more than one-fourth of the 1943 canned pack reserved for Government purchase. Consequently, per capita civilian supplies of canned vegetables for the 1943-44 marketing year may be only about three-fourths to four-fifths as large as the quantity consumed in 1942-43.

POTATOES AND SWEETPOTATOES

The 1943 crop of white potatoes is of record large size -- 469 million bushels or 26 percent larger than the 1942 crop. Indicated supplies of potatoes remaining for sale after November 1 were about one and one-half times as large on this date as a year earlier. The supplies for the remainder of this season should be adequate for all purposes, notwithstanding unusually large requirements. Per capita civilian supplies for the 1943-44 season are indicated to be about 14 percent larger than for the past season.

The 1943 crop of sweetpotatoes consisting of 76 million bushels is 16 percent larger than the 1942 crop.

Wholesale prices for both white potatoes and sweetpotatoes at New York City during the first week of November were substantially higher than a year ago. Prices for white potatoes at country shipping points were at or near ceiling levels.

ECONOMIC TRENDS AFFECTING AGRICULTURE

INDEX NUMBERS: INDICATED BASE PERIOD = 100

YEAR AND MONTH	INDUS- TRIAL PRO- DUCTION ¹	FACTORY EMPLOY- MENT ²	FACTORY PAY ROLLS ²	INCOME OF IN- DUSTRIAL WORKERS ³	CASH INCOME FROM FARM MAR- KETINGS ⁴	WHOLE- SALE PRICES OF ALL COMMOD- ITIES ⁵	RETAIL FOOD PRICES ⁶	COST OF LIVING URBAN ⁷	PRICES RECEIVED BY FARMERS ⁸	PRICES PAID BY FARMERS ⁹	PRICES PAID BY FARMERS, INTEREST AND TAXES ⁹	RATIO OF PRICES RE- CEIVED TO PRICES PAID INCL. INTEREST AND TAXES
Base Period	1935-39	1935-39	1935-39	1935-39	1935-39	1935-39	1935-39	1935-39	1910-14	1910-14	1910-14	1910-14
1929	110	108	127	134	142	118	133	122	146	154	167	87
1930	91	94	103	110	113	107	126	119	126	146	160	79
1931	75	80	78	84	80	91	104	109	87	126	142	61
1932	58	68	54	58	59	80	86	98	65	108	124	52
1933	69	75	58	61	67	82	84	92	70	108	120	58
1934	75	88	74	76	79	93	94	96	90	122	129	70
1935	87	93	86	86	89	99	100	98	108	125	130	83
1936	103	101	99	100	105	100	101	99	114	124	128	89
1937	113	111	118	117	111	107	105	103	121	131	134	90
1938	89	93	91	91	96	98	98	101	95	123	127	75
1939	109	102	106	105	99	96	95	99	93	121	125	74
1940	125	110	122	119	105	98	97	100	98	122	126	78
1941	162	135	178	169	141	108	105	105	122	131	133	92
1942	199	155	258	238	188	123	124	116	157	152	151	104
1942- Oct.	215	164	288	262	211	124	130	119	169	155	154	110
Nov.	220	165	298	271	224	124	131	120	169	156	155	109
Dec.	223	168	306	278	226	125	133	120	178	158	156	114
1943- Jan.	227	168	310	281	224	126	133	121	182	160	157	116
Feb.	232	170	317	287	240	127	134	121	178	162	159	112
Mar.	235	171	324	295	260	128	137	123	182	163	160	114
Apr.	237	171	330	300	261	129	141	124	185	165	162	114
May	238	171	334	302	258	129	143	125	187	167	163	115
June	236	172	338	304	256	129	142	124	190	168	164	116
July	239	173	336	306	256	128	139	124	188	169	165	114
Aug.	242	174	343	312	266	128	137	123	193	169	165	117
Sept. ¹⁰	243	174	349	316	243	128	137	124	193	169	165	117
Oct. ¹⁰	--	174	--	--	--	128	--	--	192	170	166	116

¹Federal Reserve Board, adjusted for seasonal variation. 1939 to date revised October 1943.²Based on Bureau of Labor Statistics data. Seasonal fluctuations in factory employment and pay rolls appear to have been largely eliminated since the United States entered the war; accordingly, no adjustments for seasonal variation have been made since December 1941.³Includes factory, railroad, and mining employees. Adjusted for seasonal variation.⁴Adjusted for seasonal variation.⁵Bureau of Labor Statistics, 1926 = 100 converted to 1935-39 = 100 by multiplying by 124.069 percent.⁶Bureau of Labor Statistics.⁷Bureau of Labor Statistics. Index numbers of cost of goods purchased by wage earners and low-salaried workers in large cities.⁸August 1909-July 1914 = 100.⁹Annual figures are straight averages of 12 monthly indexes, 1923-41.¹⁰Preliminary.

Note: In comparing trends between industrial production and industrial workers' income, as indicated by the above index numbers, notice should be taken of the fact that income of railway workers, as well as incomes of mining and factory workers, is included in the index of industrial workers' income, whereas the industrial production index is based on mining and manufacturing only. Similar precautions are necessary in comparing trends between industrial production and factory employment and pay rolls. Another consideration of importance is that the production index is based on volume, whereas the income indexes are affected by changes in wage rates as well as by time worked. In comparing monthly indexes it is important to keep in mind the fact that there is usually a time lag between changes in volume of production and similar changes in employment and in workers' income.

